## UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS SAN ANTONIO DIVISION

THOMAS E. PEREZ, Secretary of Labor,	§	
United States Department of Labor,	§	
	§	
Plaintiff,	§	
	§	
V.	§	CIVIL ACTION NO. 5:12-CV-01210-XR
	§	
PCXAC, LLC d/b/a CHINA SEA #1,	§	
CHINA SEA #2 and CHINA SEA #3;	§	
XXT INVESTMENT, LLC d/b/a CHINA SEA #1,	§	
CHINA SEA #2 and CHINA SEA #3;	§	
XAC'S INVESTMENT COMPANY d/b/a CHINA	§	
SEA #1, CHINA SEA #2 and CHINA SEA #3;	§	
WKHK INVESTMENT, LLC d/b/a CHINA SEA	§	
#1, CHINA SEA #2 and CHINA SEA #3;	§	
DLKJ INVESTMENTS, INC. d/b/a CHINA SEA	§	
#1, CHINA SEA #2 and CHINA SEA #3; and	§	
PETER XAC, Individually,	§	
	§	

## **JOINT ADVISORY TO COURT**

## TO THE HONORABLE XAVIER RODRIGUEZ:

Plaintiff Thomas E. Perez, Secretary of Labor and Defendants, PCXAC, LLC, XXT Investments, LLC, XAC'S Investment, LLC, WKHK Investment, LLC, DLKJ Investments, Inc. and Peter Xac, Individually, jointly file the following advisory to the Court:

Pursuant to the order issued by the Court on January 28, 2015, the parties jointly advise the Court as follows:

- 1. There are no outstanding jurisdictional issues in this matter.
- 2. There are no unserved parties in this matter.
- 3. The Plaintiff has asserted that the Defendants failed to pay their employees the federally mandated minimum wage, failed to pay overtime as required by law, and made unlawful deductions from employees' pay. The Defendants have denied the allegations of the Plaintiff, but have not asserted any counterclaims.

4. The parties will be able to stipulate to enterprise status of the Defendants, the

applicability of the Fair Labor Standards Act in this matter and that several of the Defendants

were engaged, through unified operation of common control, in the performance of related

activities for a common business purpose. Additionally, Defendants stipulate that Individual

Defendant, Peter Xac, is an employer under the Act.

5. The parties have exchanged written discovery requests and produced documents.

Plaintiff has deposed the representatives of the Defendant corporate entities, the individual

Defendant Peter Xac, the Defendants' accountant and former manager.

6. No discovery disputes exist at this time.

7. The parties do not believe that an order pursuant to Federal Rule of Evidence 502

is necessary at this time.

8. The parties are attending mediation with Magistrate Pamela Mathy on March 3,

2015, and are optimistic that this matter will be resolved through the mediation process.

Respectfully Submitted,

M. PATRICIA SMITH

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RSOL Case Nos. 12-00922; 12-00928; 12-00953

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## **CERTIFICATE OF SERVICE**

I hereby certify that on February 5, 2015, I electronically filed a copy of the foregoing Joint Advisory to Court and served it by electronic transmission on all counsel of record through the Court's CM/ECF system.

/s/ Josef F. Buenker
Josef F. Buenker